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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission for the Referendum in Western Sahara

Financial performance report for the period from 1 July 2006 to 30 June 2007 and proposed budget for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2008 to 30 June 2009

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2006/07	$42,619,400
Expenditure for 2006/07	$41,702,600
Appropriation for 2007/08	$44,321,600
Projected expenditure for 2007/08[a]	$46,075,800
Estimated unencumbered balance for 2007/08[a]	($3,227,900)
Proposal submitted by the Secretary-General 2008/09	$45,728,400
Recommendation of the Advisory Committee 2008/09	$45,698,200

[a] As at 31 March 2008 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the proposal of the Secretary-General for the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 2008 to 30 June 2009 (A/62/679), subject to the observations in paragraph 28 below.**

2. The Advisory Committee's general report on administrative and budgetary aspects of the financing of the United Nations peacekeeping operations will contain the views of the Committee and its recommendations on a number of cross-cutting issues. Consequently, in the paragraphs below, the Committee deals with resources and other items specifically relating to MINURSO.

3. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of MINURSO are listed at the end of the present report.

II. Financial performance for the period from 1 July 2006 to 30 June 2007

4. In its resolution 60/280, the General Assembly appropriated to the special account for MINURSO an amount of $42,619,400 gross ($40,113,000 net) for the period from 1 July 2006 to 30 June 2007 for the maintenance of the Mission. Member States were assessed for the full amount. Expenditures for the period totalled $41,702,600 gross ($39,841,900 net).

5. The resulting unencumbered balance of $916,800 gross ($571,100 net) represents, in gross terms, 2.2 per cent of the total appropriation (A/62/611, sect. III.A). **The Advisory Committee notes, however, significant variances between the approved budget line items and the actual expenditures incurred in achieving that overall level of budget implementation.**

6. The unencumbered balance of MINURSO is the net effect of underexpenditure in the amount of $3,521,200 (gross), offset by overexpenditure in the amount of $2,604,400 (gross) (A/62/611, sect. III.A). The unencumbered balance is the result of, inter alia, higher vacancy rates than budgeted for military advisers and for civilian personnel and a lower than planned number of hours flown by fixed-wing aircraft. Savings were offset in part by increased requirements relating to higher costs under facilities and infrastructure as a result of the implementation of security enhancement projects and expenditures incurred for the rehabilitation of two runways and airfield facilities in Mahbas and Awsard, Western Sahara, as well as requirements for the financing of the Procurement Task Force established by the Office of Internal Oversight Services and the loss on exchange due to currency fluctuations. A further analysis of the variances for the period 2007/08 is set out in the performance report (A/62/611, paras. 8-23).

7. While the Advisory Committee recognizes that the performance report is detailed and precise, further improvements could be made in the results-based-budgeting presentation. **While the Committee knows that the results-based-budgeting process remains a work in progress, it expects that future results-**

based-budgeting reports will include adequate explanations of the benchmarks, as well as appropriate terminology.

8. The comments of the Advisory Committee on the information in the performance report regarding individual items of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2008 to 30 June 2009 in the paragraphs below.

III. Information on performance for the current period

9. The Advisory Committee was informed that, as at 30 November 2007, Member States had been assessed a total of $675,955,200 with respect to MINURSO since its inception. Payments received as at the same date amounted to $605,320,200, leaving an outstanding balance of $70,635,000 in payments due from Member States. MINURSO would require a projected three-month operating reserve (excluding reimbursement to troop-contributing countries) from February to April 2008 in the amount of $11.4 million. The Committee notes with concern the cash shortfall of $6.9 million which is expected by May 2008 and notes that the Mission's cash position as at 4 February 2008 was $4.5 million. Further, a loan from the Special Account of the United Nations Protection Force in the amount of $12.5 million remains outstanding. The Committee also notes that the Board of Auditors, in its report on United Nations peacekeeping operations for the 12-month period from 1 July 2005 to 30 June 2006, once again raised the matter of unpaid assessed contributions in the context of liquidity of active and closed missions, including inter-mission loans (A/61/5 (Vol. II), paras. 6-15).

10. The Secretary-General reiterated in his latest report on MINURSO that, as a result of the outstanding assessed contributions, the Organization has not been in a position to reimburse the Governments providing troops since April 2002 (S/2007/619, para. 61). The Advisory Committee was informed that the amount reimbursed for troop costs up to 31 March 2002 totalled $5,548,010, while the amount owed for the period from 1 April 2002 to 31 December 2007 was $1,648,700. **The Advisory Committee reiterates its concern in that regard and requests that any progress on the matter be reported to the General Assembly at the time of its consideration of the resource requirements for the Mission.**

11. With regard to contingent-owned equipment, the Advisory Committee was informed that no payments were made during the year 2007 and that an amount of $564,000 was owed as at 31 December 2007. Additionally, an amount of $238,000 had been paid for death and disability compensation for nine claims since the inception of the Mission; no claims remained outstanding.

12. The Advisory Committee was informed that, as at 31 March 2008, the incumbency status of MINURSO for the period from 1 July 2007 to 30 June 2008 was as follows:

	Posts authorized	*Posts encumbered*	*Vacancy/delayed deployment rate (percentage)*
Military observers	203	189	7.9
Military contingent personnel	27	27	—
United Nations police	6	6	—
International staff	115	102	11.3
National staff	151	148	2.0
General temporary assistance	1	0	100.0
United Nations Volunteers	24	24	—
Government-provided personnel	10	4	60.0

13. The Advisory Committee was provided with current and projected expenditure data for the period from 1 July 2007 to 30 June 2008 (see annex I). Expenditures as at 31 March 2008 amounted to $33,410,000 (gross). The Advisory Committee notes that the total expenditure for the 2007/08 period is projected at $46,075,800, against an appropriation of $44,321,600 (gross). The Advisory Committee notes from annex I of the present report that overexpenditures and underexpenditures are expected to offset each other. Overexpenditures are expected, inter alia, for military and police personnel, national staff, United Nations Volunteers, general temporary assistance and official travel, while underexpenditures are expected for international staff, Government-provided personnel, communications and other supplies, services and equipment. The Advisory Committee is of the view that the overall rate of budget implementation should be the result of realistic budget assumptions and planning.

IV. Proposed budget for the period from 1 July 2008 to 30 June 2009

A. Mandate and planned results

14. MINURSO was established by the Security Council in its resolution 690 (1991). The most recent extension of the mandate, to 30 April 2008, was authorized by the Security Council in its resolution 1783 (2007).

15. The Advisory Committee notes that voluntary contributions in kind for 2008/09 are expected from the Government of Morocco ($2,301,500), the Government of Algeria ($437,000) and the Frente Polisario ($36,000) (A/62/679, sect. II.B). **The Committee welcomes the continued contributions.**

B. Resource requirements

1. Military and civilian police personnel

Category	*Approved 2007/08*	*Proposed 2008/09*	*Variance*
Military observers	203	203	—
Military contingents	27	27	—
United Nations police	6	6	—

16. The proposed budget for the period 2008/09 for military observers, military contingents and civilian police personnel amounts to $6,407,800, reflecting an increase of $149,000, or 2.4 per cent. The Advisory Committee notes that requirements for rations for military observers are expected to increase by $133,200 (15.9 per cent) as a result of the inclusion of refrigeration costs in the new global rations contract, while requirements for rations for military contingents and United Nations police are expected to decrease by $4,900 (25.7 per cent) and $8,000 (20 per cent), respectively, as a result of lower water costs. Requirements for travel for military contingents are expected to increase by $24,500 (11.8 per cent) due to an increase in travel costs per rotation per person from $2,210 during the period 2007/08 to $2,400 for the period 2008/09.

2. Civilian personnel

Category[a]	*Approved 2007/08*	*Proposed 2008/09*	*Variance*
International staff	115	108	(7)
National staff[b, c]	152	166	14
United Nations Volunteers	24	20	(4)
Government-provided personnel[d]	10	10	—

[a] Represents the highest level of authorized/proposed strength.
[b] Includes National Officers and national General Service staff.
[c] Includes one position funded under general temporary assistance.
[d] Government-provided civilian substantive personnel. Not funded from MINURSO budget.

17. Estimated requirements for civilian personnel for the period 2008/09 amount to $15,758,600, reflecting a decrease of $1,125,100, or 6.7 per cent, from the 2007/08 apportionment of $16,883,700.

18. The proposed changes, as noted below, would entail requirements of: $12,060,500 for international staff, a reduction of $1,299,800 (9.7 per cent) from the period 2007/08; $3,026,200 for national staff, an increase of $294,000 (10.8 per cent); and $642,300 for United Nations Volunteers, a reduction of $118,700 (15.6 per cent).

19. The Advisory Committee was informed that the budget reflected the same assumptions about vacancy rates for civilian personnel in 2008/09 as it did for civilian personnel in 2007/08. Upon enquiry, the Committee was informed that the expected 10 per cent vacancy rate for international staff in 2008/09 was based on the actual average rate so far of 11 per cent for 2007/08, while the expected 7 per cent

rate for national staff was based on the actual vacancy rate of 5 per cent for 2007/08. **The Advisory Committee expects that the proposed conversion of international posts and positions to national posts will result in a significant reduction of vacancies.**

20. **The Advisory Committee welcomes the indication in the budget that, in compliance with the request from the General Assembly in its resolution 59/296, MINURSO has taken action to discontinue the use of all casual (daily-paid) workers and individual contractors performing functions of a continuing nature.** The Committee notes that at MINURSO headquarters that had been accomplished through an outsourcing programme undertaken in 2006. In Tindouf, Algeria, however, the Committee was informed that outsourcing was not possible owing to the absence of labour providers for the relevant services.

Recommendations on posts

21. The Secretary-General proposes the establishment of three new posts. They include one national General Service post for general maintenance and repair duties at the Tindouf Liaison Office (A/62/679, paras. 9-11), as well as one Field Service post (Archiving Officer) and one General Service post (Archives Clerk) for the establishment of an Archiving Unit (ibid., paras. 17-19) in connection with the future enterprise content management system whereby archived documents would be stored at the United Nations Logistics Base at Brindisi, Italy. The Committee was informed that the request for an archiving unit was in response to an observation by the Board of Auditors on this matter (A/62/679, sect. V.C.). **The Advisory Committee recommends the establishment of the three posts.**

22. The Secretary-General also proposes the conversion of 12 international posts and positions to national General Service posts. Upon review of the staffing establishment of the Mission Support Division and in compliance with General Assembly resolutions 59/296, 60/260 and 61/276, it is proposed to convert six international posts and four United Nations Volunteer positions to national General Service posts as follows: two Procurement Assistants (General Service, Other level), one Supply Assistant (General Service, Other level), one Shipping Assistant (Field Service), two Information Technology/Communications Assistants (one General Service, Other level, and one Field Service), as well as one Disposal Clerk, one Finance Clerk, one Personnel Clerk, and one Information Technology Technician (United Nations Volunteers) (A/62/679, para. 16). **The Advisory Committee recommends approval of those proposals.**

23. The Secretary-General further proposes the redeployment of the following posts and positions:

(a) One P-3 Budget Officer post and one national General Service Budget clerk post from the Office of the Chief Administrative Officer to the Finance and Budget Section;

(b) One Field Service Procurement Officer post from the Procurement Section to the Office of the Chief Administrative Officer;

(c) One United Nations Volunteer personnel assistant position from the Personnel Section to the General Services Section;

(d) One national General Service Engineering Clerk post from the Engineering Section to the Procurement Section.

24. The Advisory Committee notes that the budget proposes redeployment of an Engineering Clerk to cover an unrelated function. **The Committee cautions that, in the interest of budgetary transparency, vacant posts which are no longer required should be abolished, and requests for new posts and upgrades should be fully justified (see also the Advisory Committee's report on the United Nations Observer Mission in Georgia (A/62/781/Add.1, para. 18)).**

25. A detailed summary of the proposed changes listed above was provided by the Secretariat and is included in annex II to the present report.

3. Operational costs

(In United States dollars)

Apportioned 2007/08	*Proposed 2008/09*
21 179 100	23 562 000

26. The estimated operational requirements for the period from 1 July 2008 to 30 June 2009 represent an increase of $2,382,900, or 11.3 per cent, over the previous period. The increase is due mainly to higher requirements for facilities and infrastructure, owing to the replacement of old accommodation tents and food storage equipment and the introduction of a mine action programme in response to newly mapped mine locations.

Consultants

27. The cost estimate for 2008/09 for consultants amounts to $72,000, which is $45,600 (172.7 per cent) more than the apportionment of $26,400 for 2007/08. The Advisory Committee was informed that the increase was proposed to hire consultants to conduct in-area training for supervisory and mediation skills, dangerous goods transportation, project management and information technology.

28. The Advisory Committee was provided with a detailed list of planned training courses for international and national staff, as well as for military and police personnel for the period 2008/09. The Committee was informed that training needs included specialized technical courses that were mandatory for regulatory compliance and needed to be conducted by licensed and certified instructors. **The Advisory Committee has no objection to the increase proposed for mandatory specialized training for dangerous goods and information technology training (see also para. 32 below).**

Official travel

29. Estimated requirements for official travel in 2008/09 amount to $439,200, an increase of 9.1 per cent compared to 2007/08. The Committee notes that in 2006/07 there was an overexpenditure of $24,700, or 7.3 per cent, for official travel within the Mission area, mostly for inspections, repair and maintenance of military accommodation team sites. The Committee was also informed that additional travel was needed for the strengthening of security measures in compliance with the minimum operating security standards. **While the Committee does not object to**

those estimates, it recommends that the General Assembly encourage the Secretary-General to actively explore ways of reducing travel costs.

Air transportation

30. The cost estimate for 2008/09 for air transportation amounts to $13,372,600, an increase of $2,231,500 (20 per cent) compared to the apportionment for 2007/08. The Advisory Committee notes that the increased requirements are due mainly to the increased cost per flight hour based on the new contract for fixed-wing aircraft and helicopters and increased requirements for aviation fuel. The Committee also notes that reasons for the anticipated additional flight hours included the resumption of helicopter night flights in the area of responsibility (A/62/679, para. 49). Upon enquiry, the Committee was informed that during 2006/07, MINURSO operated three fixed-wing aircraft under commercial contracts (two passenger and one cargo aircraft) and that, following a review, one passenger aircraft was replaced with one combination aircraft (i.e., passengers and cargo) to improve the overall utilization of the fixed-wing aircraft fleet. **The Advisory Committee welcomes the efforts made to rationalize the aircraft requirements of the Mission.**

Other supplies, services and equipment

31. The Committee notes that a new provision is proposed for mine detection and mine-clearance services for the period from 1 July 2008 to 30 June 2009, amounting to $672,000, under other supplies, services and equipment (A/62/679, para. 33). The Advisory Committee was informed that there was no evidence of new devices being laid since the cessation of hostilities. The proposed mine action programme would aim to alleviate the threat to the local population, as well as to United Nations personnel during their day and night patrols. The project would be managed by a contracted programme manager who would report to the MINURSO mine action cell (para. 35). Upon enquiry, the Committee was informed that a Senior Mine Action Adviser would be contracted for separately and that the arrangement would be regulated by a memorandum of understanding with the United Nations Office for Project Services. **The Advisory Committee has no objection to the establishment of an operational mine action programme.**

32. The cost estimate for 2008/09 for training fees, supplies and services amounts to $96,300, an increase of 0.8 per cent. The Advisory Committee notes from paragraph 31 of the budget document (A/62/679) that during 2006/07, only 2 national staff members participated in internal training, while 187 were expected to participate during 2008/09. The Committee was informed that the Mission was focusing its efforts to offer training to national staff.

33. Bank charges for 2008/09 are estimated at $63,300, a decrease of 20.9 per cent. The Committee notes that the apportionment for 2006/07 was $92,400, with an underexpenditure of $35,000 (37.9 per cent). The Committee also notes that those savings resulted from the use of electronic banking since October 2006, with a resulting reduction from $9 to $5 per transfer. **The Committee welcomes the reductions and expects that further efforts will be made to reduce those costs.**

4. Other comments and recommendations

Vehicle spare parts stockholding

34. The Board of Auditors recommended that the quantity of spare parts being stocked, now equivalent to a four-year consumption, be significantly reduced; that

the acquisition of spare parts be commensurate with actual needs; and that obsolete parts be disposed of as soon as possible. The Committee notes that that recommendation was considered by the Secretary-General to have been implemented, although a number of related steps were still in progress (A/62/679, sect. V.C.).

35. Upon enquiry, the Advisory Committee was informed that obsolete spare parts valued at $200,000 would be removed from stores and that a presentation would be made to the local property survey board. That would reduce the spare parts inventory to 6 per cent of the inventory value of the vehicle fleet. No requests for those spare parts had been received from other missions, and MINURSO had applied to the local government for disposal by sale. The Mission was continuing to monitor its stock levels, but because of often lengthy supply chain lead times, spare parts stock levels were at times higher than authorized. An inventory classification process had been initiated to keep track of stock turnover. **The Advisory Committee notes efforts made by MINURSO to rationalize its spare parts holdings. The Committee expects full implementation of the recommendations of the Board of Auditors and requests that information thereon be provided in the budget presentation for the period 2009/10.**

Support for the Office of the United Nations High Commissioner for Refugees

36. The Advisory Committee was informed that the confidence-building programme by the Office of the United Nations High Commissioner for Refugees (UNHCR) provides, on a cost-sharing basis, for family exchange visits for registered beneficiaries, as well as telephone service between the refugee camps in Tindouf and the territory west of the berm and that MINURSO is providing both logistical and substantive support for the programme. The Committee was also informed that, during 2008/09, the Special Representative of the Secretary-General would attend resource-mobilization meetings in support of the confidence-building programme, and that logistical support, on a cost-reimbursable basis, would continue to be provided (A/62/679, paras. 21 and 24).

Damage to archaeological sites

37. Upon enquiry, the Advisory Committee was informed that a preliminary investigation by the military component had been completed on the damage to the Lajuad archaeological sites allegedly caused by MINURSO military or police personnel and that a full board of inquiry investigation was in progress. The board of inquiry was expected to complete its report by the beginning of April 2008. However, upon enquiry at the beginning of April, the Advisory Committee was informed that there were no new developments in the matter. The Committee was informed that the Special Representative of the Secretary-General was personally following up on the matter. Also, the induction programme of the Conduct and Discipline Team had been revised to make newly arrived personnel aware of their obligation to preserve archaeological sites in Western Sahara and four information signs had been posted in the area. MINURSO was working closely with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and academic experts to decide on the next steps, while UNESCO has provided training materials and a list of relevant experts. However, responsibility for the cost of clean-up had yet to be decided. **In order to avoid a recurrence of such acts, the Advisory Committee recommends that a comprehensive set of measures be developed in consultation with UNESCO.**

38. **The Advisory Committee is deeply concerned by the acts of vandalism and expects that, once the investigation is concluded, appropriate disciplinary action will be taken. The Committee expects an update on the matter in the context of the MINURSO 2009/10 budget proposal.**

V. Conclusion

39. The action to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2006 to 30 June 2007 is indicated in paragraph 24 of the performance report (A/62/611). **The Advisory Committee recommends that the unencumbered balance of $916,800, as well as other income and adjustments in the amount of $1,986,900, be credited to Member States in a manner to be determined by the Assembly.**

40. The action to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2008 to 30 June 2009 is indicated in paragraph 55 of the proposed budget (A/62/679). **The Advisory Committee recommends that, should the Security Council decide to extend the mandate of the Mission beyond 30 April 2008, the General Assembly appropriate an amount of $45,698,200 for the maintenance of the Mission for the 12-month period from 1 July 2008 to 30 June 2009.**

Documentation

- Performance report on the budget of the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2006 to 30 June 2007 (A/62/611)
- Budget for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2008 to 30 June 2009 (A/62/679)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2005 to 30 June 2006 and proposed budget for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2007 to 30 June 2008 (A/61/852/Add.3)
- Report of the Secretary-General on the situation concerning Western Sahara (S/2007/619)
- General Assembly resolutions 61/290 and 60/280 on the financing of the United Nations Mission for the Referendum in Western Sahara
- General Assembly resolution 59/296 on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: cross-cutting issues
- Security Council resolutions 1783 (2007), 1675 (2006) and 690 (1991)
- Financial report and audited financial statements for the 12-month period from 1 July 2005 to 30 June 2006 and report of the Board of Auditors on United Nations peacekeeping operations (A/61/5 (Vol. II))

Annex I

Current and projected expenditures for the period 1 July 2007 to 30 June 2008

	1 July 2007 to 31 March 2008			Projected 1 April to 30 June 2008				
	Apportionment 1.0	Total expenditure 2.0	Unencumbered balance (3)=(1)-(2)	Total projected expenditure 4.0	Total expenditure including projected) (5)=(2)+(4)	Estimated unencumbered balance as at 30 June 2007 (6)=(1)-(5)	Variance percentage (7)=(6)÷(1)	Reasons for variance
Military and police personnel								
Military observers	5 371.2	4 322.7	1 048.5	1 392.6	5 715.3	-344.1	-6.4	As a result of the depreciation of the value of the dollar with respect to the Moroccan dirham, from MAD 8.31/US$1 in July 2007 to MAD 7.21/$1 in April.
Military contingents	737.0	572.5	164.5	123.0	695.5	41.5	5.6	Savings is due to cancellation of obligations as travellers did not submit claims for final settlement.
United Nations police	150.6	112.4	38.2	33.0	145.4	5.2	3.5	Savings is due to cancellation of obligations as travellers did not submit claims for final settlement.
Formed police units	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Subtotal	**6 258.8**	**5 007.6**	**1 251.2**	**1 548.6**	**6 556.2**	**-297.4**	**-4.8**	
Civilian personnel								
International staff	13 313.0	8 294.6	5 018.4	3 071.0	11 365.6	1 947.4	14.6	Savings is due to higher vacancy rate average to date of 22 per cent while the budget was based on 10 per cent.
National staff	2 732.2	2 006.0	726.2	835.0	2 841.0	-108.8	-4.0	The overrun is due to lower vacancy (2 per cent) than budgeted (10 per cent), and the appreciation of the Moroccan dirham against the US dollar.
United Nations Volunteers	761.0	559.3	201.7	279.0	838.3	-77.3	-10.2	The overrun is as a result of lower actual vacancy rate (0 per cent) than budgeted (10 per cent).
General temporary assistance	77.5	49.0	28.5	18.6	67.6	9.9	12.8	
Subtotal	**16 883.7**	**10 908.9**	**5 974.8**	**4 203.6**	**15 112.5**	**1 771.2**	**10.5**	

	1 July 2007 to 31 March 2008			*Projected 1 April to 30 June 2008*				
	Apportionment 1.0	*Total expenditure* 2.0	*Unencumbered balance* (3)=(1)-(2)	*Total projected expenditure* 4.0	*Total expenditure including projected)* (5)=(2)+(4)	*Estimated unencumbered balance as at 30 June 2007* (6)=(1)-(5)	*Variance percentage* (7)=(6)÷(1)	*Reasons for variance*
Operational costs								
Government-provided personnel	42.4	25.3	17.1	9.8	35.1	7.3	17.3	Savings is due to non-repatriation of African Union observers.
Civilian electoral observers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Consultants	26.4	0.0	26.4	0.0	0.0	26.4	100.0	Savings is due to charges for language teachers now recorded against general temporary assistance instead of consultants.
Official travel	402.7	395.3	7.4	105.0	500.3	-97.6	-24.2	The overrun is due to unbudgeted travel for compliance trainings, such as Senior Mission Administration and Resource Training programme, Galileo Fleet Management System and unbudgeted official travel taken by the Special Representative of the Secretary-General to political meetings due to resumption of talks between the parties. In addition, higher than budgeted costs for travel as a result of the dollar depreciation since MINURSO pays all airfare tickets in other currencies rather than the US dollar.
Facilities and infrastructure	3 675.9	2 609.6	1 066.3	1 042.9	3 652.5	23.4	0.6	
Ground transportation	2 524.1	2 163.6	360.5	450.0	2 613.6	-89.5	-3.5	The expected overrun is due to higher costs of fuel than budgeted and currency fluctuations that affected both fuel and purchase of new vehicles.
Air transportation	11 141.1	10 306.0	835.1	3 841.7	14 147.7	-3 006.6	-27.0	The overrun is a result of increased rental costs based on the new contracts for fixed-wing aircraft effective in August 2008 and for helicopters effective in June 2007. In addition, the cost of fuel was budgeted at $.75 per litre while it has risen to $1.01 per litre by March 2008, an increase of 33 per cent.
Naval transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Communications	1 656.1	713.6	942.5	992.2	1 705.8	-49.7	-3.0	The overrun is mainly due to exchange rates fluctuations.

	1 July 2007 to 31 March 2008			Projected 1 April to 30 June 2008				
	Apportionment 1.0	Total expenditure 2.0	Unencumbered balance (3)=(1)-(2)	Total projected expenditure 4.0	Total expenditure (including projected) (5)=(2)+(4)	Estimated unencumbered balance as at 30 June 2007 (6)=(1)-(5)	Variance percentage (7)=(6)÷(1)	Reasons for variance
Information technology	705.4	549.0	156.4	179.0	728.0	-22.6	-3.2	The overrun is mainly due to exchange rates fluctuations on equipment purchase.
Medical	162.2	64.7	97.5	90.0	154.7	7.5	4.6	
Special equipment	47.7	0.0	47.7	0.0	0.0	47.7	100.0	The unutilized balance is due to the cancellation of the acquisition of observation equipment.
Other supplies, services and equipment	795.1	666.4	128.7	203.0	869.4	-74.3	-9.3	The expected overrun is due to the exchange rates fluctuations mostly affecting freight and the cost for rations.
Quick-impact projects	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Subtotal	**21 179.1**	**17 493.5**	**3 685.6**	**6 913.5**	**24 407.0**	**-3 227.9**	**-15.2**	
Gross requirements	**44 321.6**	**33 410.0**	**10 911.6**	**12 665.8**	**46 075.8**	**-1 754.2**	**-4.0**	

Annex II

Summary of proposed changes 1 July 2008 to 30 June 2009

Office/Section/Unit	*Number*	*Level*	*Description*
Component 1: substantive civilian			
Executive direction and management	+1	national General Service	General Maintenance Clerk to perform the functions of general maintenance (electrical, plumbing, painting, etc.), basic car maintenance, construction work, cargo loading and porter duties, warehousing and other general functions in the Tindouf Liaison Office.
	+1		
Component 2: military			
Not applicable			
Component 3: support			
Office of Chief Administrative Officer	-1	P-3	Budget Officer post moved from Office of the Chief Administrative Officer to the Finance and Budget Section to improve effectiveness of the budget implementation process and performance reporting.
	-1	national General Service	Budget Clerk post moved from Office of the Chief Administrative Officer to the Finance and Budget Section to improve effectiveness of the budget implementation process and performance reporting.
	1	Field Service	Procurement officer post moved from Procurement Section to the Chief Administrative Officer to perform administrative officer functions.
	-1		
Finance and Budget Section	+1	P-3	Budget Officer post moved from Office of the Chief Administrative Officer to the Finance and Budget Section to improve effectiveness of the budget implementation process and performance reporting.

Office/Section/Unit	*Number*	*Level*	*Description*
	+1	national General Service	Budget Clerk post moved from Office of the Chief Administrative Officer to the Finance and Budget Section to improve effectiveness of the budget implementation process and performance reporting.
	-1	United Nations Volunteer	Finance Assistant post reclassified from United Nations Volunteer to national General Service.
	+1	national General Service	Finance Assistant post reclassified from United Nations Volunteer to national General Service.
	+2		
Personnel Section	-2	United Nations Volunteer	One Personnel Assistant post moved from Personnel Section to General Services Section to oversee the operation of the Mail and Pouch Unit. One Personnel Assistant post reclassified from United Nations Volunteer to national General Service.
	+1	national General Service	One Personnel Assistant post reclassified from United Nations Volunteer to national General Service.
	-1		
General Services Section	+1	United Nations Volunteer	Personnel Assistant post moved from Personnel Section to General Services Section to oversee the operation of the Mail and Pouch Unit.
	-1	United Nations Volunteer	Disposal Assistant post reclassified from United Nations Volunteer to national General Service.
	+1	national General Service	Disposal Assistant post reclassified from United Nations Volunteer to national General Service.
	+1	Field Service	Archiving Officer as a manager to carry out core activities relating to the cataloguing, preserving and filing of records from all sections of the Mission.

Office/Section/Unit	*Number*	*Level*	*Description*
	+1	national General Service	Archiving Clerk post to carry out core activities relating to the cataloguing, preserving and filing of records from all sections of the Mission.
	+3		
Procurement Section	-1	Field Service	Procurement officer post moved from Procurement Section to the Chief Administrative Officer to perform administrative officer functions.
	-2	General Service	Two Procurement Assistant posts reclassified from General Service to national General Service.
	+2	national General Service	Two Procurement Assistant posts reclassified from General Service to national General Service.
	+1	national General Service	Engineering Clerk post moved from Engineering Section to Procurement Section.
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Logistics Section	-1	General Service	Supply Assistant post reclassified from General Service to national General Service.
	+1	national General Service	Supply Assistant post reclassified from General Service to national General Service.
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Aviation Section	-1	Field Service	Shipping Assistant post reclassified from Field Service to national General Service.
	+1	national General Service	Shipping Assistant post reclassified from Field Service to national General Service.
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Engineering Section	-1	national General Service	Engineering Clerk post moved from Engineering Section to Procurement Section.
	-1		

Office/Section/Unit	*Number*	*Level*	*Description*
Communications and Information Technology Section	-1	Field Service	Communications and Information Technology Assistant post reclassified from Field Service to national General Service.
	-1	General Service	Communications and Information Technology Assistant post reclassified from General Service to national General Service.
	-1	United Nations Volunteer	Communications and Information Technology Assistant post reclassified from United Nations Volunteer to national General Service.
	+3	national General Service	Three Communications and Information Technology Assistant posts reclassified from Field Service/General Service/United Nations Volunteer to national General Service.
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Security Section	-2	Security Service	Security Officer posts reclassified from Security Service to national General Service.
	+2	national General Service	Security Officer posts reclassified from Security Service to national General Service.
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Total			
International	-7		
National	+14		
United Nations Volunteers	-4		
General temporary assistance	—		
	+3	**posts**	